



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**VIA E-MAIL ONLY**

April 21, 2017

Ms. Allison Young, CEO  
United Healthcare Community Plan  
3838 N. Causeway Blvd., Suite 2600  
Metairie, LA 70002

**RE: Notice of Action for UHC's Erroneous Charging of Transaction Fees**

Dear Allison:

It has come to my attention that UHC's pharmacy benefit manager (PBM), OptumRx, has assessed transaction fees on a significant number of pharmacy claims. The transaction fees were charged from February 1, 2015, through March 17, 2017, and varied between \$0.12 and \$0.30 for each of the 9,397,277 affected claims. The total amount of fees charged to approximately 1,975 pharmacies was \$1,557,684.74.

The charging of such fees is expressly prohibited by the contract between UHC and LDH. The contract provides:

7.17.1.9. The MCO and the PBM may not charge pharmacy providers claims processing or provider enrollment fees. This Section does not prohibit sanctioning pharmacy providers.

LDH met with UHC to review RAs for the affected pharmacies and found the RAs were not compliant with Louisiana law as its itemized accounting made no mention of the charged transaction fees. The contract provides:

**17.4 Remittance Advices (RA)**

In conjunction with its payment cycles, the MCO shall provide:

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17.4.1 Each remittance advice generated by the MCO to a provider shall comply with the provisions of LA-R.S. 46:460.71.

Louisiana law states:

Any claim payment to a provider by a managed care organization or by a fiscal agent or intermediary of the managed care organization shall be accompanied by an itemized accounting of the individual services represented on the claim that are included in the payment. LA-R.S. 46:460.71

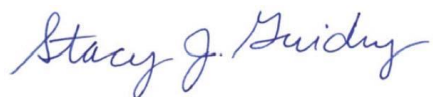
UHC's PBM shall reimburse each pharmacy provider, the amount of each transaction fee charged on each claim **with interest** by noon on April 30, 2017, or monetary penalties will be assessed in accordance with Section 20 of the contract between UHC and LDH as provided below.

<b>Occurrence</b>	<b>Daily Amount for Days 1 - 14</b>	<b>Daily Amount for Days 15-30</b>	<b>Daily Amount for Days 31-60</b>	<b>Daily Amount for Days 61 and Beyond</b>
1-3	\$ 750	\$ 1,200	\$ 2,000	\$ 3,000
4-6	\$ 1,000	\$ 1,500	\$ 3,000	\$ 5,000
7-9	\$ 1,500	\$ 2,000	\$ 4,000	\$ 6,000
10-12	\$ 1,750	\$ 3,500	\$ 5,000	\$ 7,500
13 and Beyond	\$ 2,000	\$ 4,000	\$ 7,500	\$10,000

Each transaction fee charged is considered a separate occurrence, so penalties will begin at \$2,000 per day and will be assessed daily until all pharmacies have been reimbursed.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Stacy Guidry  
Section Chief, Health Plan Management

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SG/lj

cc: Sue Fontenot  
Jen Steele  
Kim Sullivan  
Melwyn Wendt  
File #: UHC2-06